

Talk with ADE

April 4, 2014

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Exceptional Student Services**

**ADEConnect and IDEA Maintenance of Effort
(MOE)**

ADEConnect

FY 14 IDEA Basic Entitlement Grant Transition (3/20/2014)

ADE Grants Staff have begun the transition of the FY 2014 IDEA Basic Entitlement Grant projects into the new GME. You may receive several notifications over the coming days that the status has changed for this grant. These messages can be ignored and are only being generated because Grants staff are inputting the application and establishing it on your behalf.

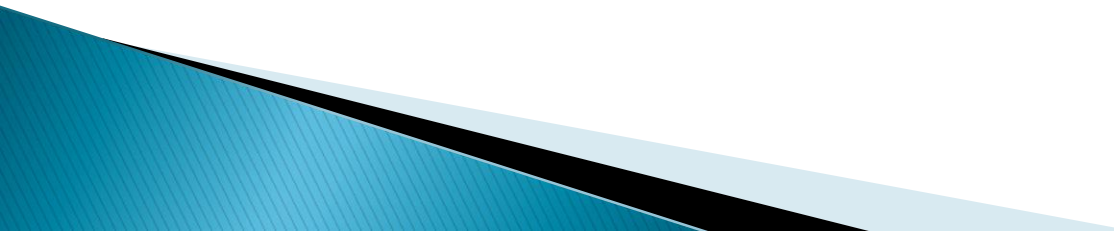
Like other FY 2014 projects transitioned into the new system, the grant will contain basic budget information and a PDF copy of the full approved application as it existed as of March 14, 2014.

Should you have any amendments or payment requests in process in the old GME please proceed with them. **Beginning March 24, 2014 ADE will no longer accept any new payment requests or amendments for the FY 2014 IDEA Basic Entitlement Grant in the old GME accessible through Common Logon.**

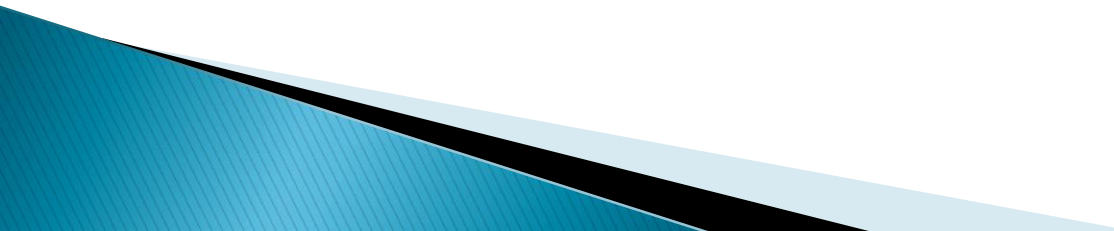
Note that **all other IDEA grants remain in the old GME until further notice.** ADE Grants Management plans to transition remaining IDEA grants after April 21, 2014. Remember that the new GME is accessible via ADEConnect at home.azed.gov/Portal.

Should you have any problems connecting to the new system, please contact the Grants Management Team at (toll free) 844-893-9789 or 602-542-3901.

ADEConnect (continued)

- ▶ All IDEA Basic Entitlement payment requests for grants approved prior to 3/25/2014 should be submitted through the new grants management system.
 - ▶ All IDEA Basic Entitlement completion reports will be submitted through ADEConnect.
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IDEA Maintenance of Effort testing 2015

- ▶ Maintenance of Effort is the review of SPED expenditures from State and Local funds to ensure that services are maintained at the previous year's level of State and Local funds expenditures.
 - ▶ At the state level IDEA Part B prohibits a state from reducing state financial support for special education below the amount of that support for the preceding fiscal year. (34 CFR §300.163);
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Eligibility Standard

- ▶ § 300.203(b). Under this provision, the SEA must determine whether the **LEA has budgeted** for the education of children with disabilities **at least the same total or per capita amount** of local, or State and local, funds as **it spent during the most recent prior year** for which there is information available. In other words, the standard for determining eligibility for funds described in § 300.203(b) generally compares the amount budgeted for the year for which the LEA is applying for Part B funds to the amount expended in the most recent prior year for which data are available.
- ▶ During the months of November through June the ADE will use this eligibility standard to determine LEA MOE. We will compare the 2015 budget to the 2013 expenditures reported in the Annual Financial report (AFR)

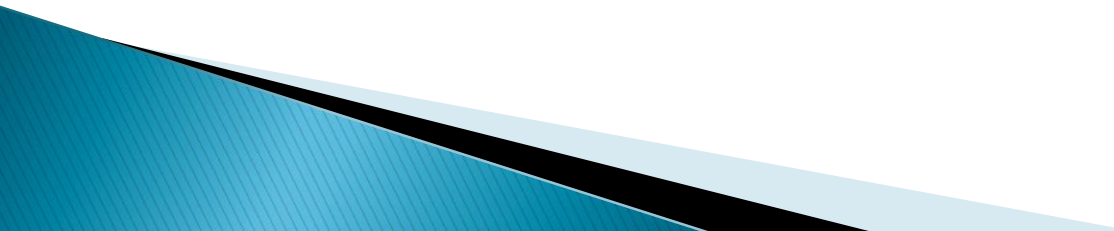
Compliance/Audit Standard

(a) General

- ▶ Except as provided in Sec. Sec. 300.204 and 300.205, funds provided to an LEA under Part B of the Act must not be used to reduce the level of expenditures for the education of children with disabilities made by the LEA from state/local funds below the level of those expenditures for the preceding fiscal year.
- ▶ During the months of November through June the ADE will use this compliance standard to determine LEA MOE. We will compare the 2015 budget to the 2014 expenditures reported in the Annual Financial report (AFR)

What happens if our school fails to meet MOE requirements?

Failure to meet MOE requirements may result in:

- ▶ The LEA losing eligibility to receive IDEA entitlement funding or funding being withheld until the MOE situation is resolved
 - ▶ Programmatic holds on all ESS IDEA Grants until MOE resolved
 - ▶ Requiring the LEA to repay funds to the SEA, using a non-federal source, who then returns the funds to the US Department of Education
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MOE level in the year after failing MOE and returning funds to the ADE

- ▶ The level of effort an LEA must meet under section 613(a)(2)(A)(iii) of the IDEA, in the year after it fails to maintain effort is the level of effort that would have been required in the absence of that failure and not the LEA's reduced level of expenditures.
 - ▶ Pub. L. No. 113-76, 128 Stat. 5, 394 (2014)
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